

MADAGASCAR

birth of a new republic

TEN YEARS OF FRENCH ECONOMIC ASSISTANCE

1949-1959

**SOUTHWEST TERRITORY
SAN MARC**

GE

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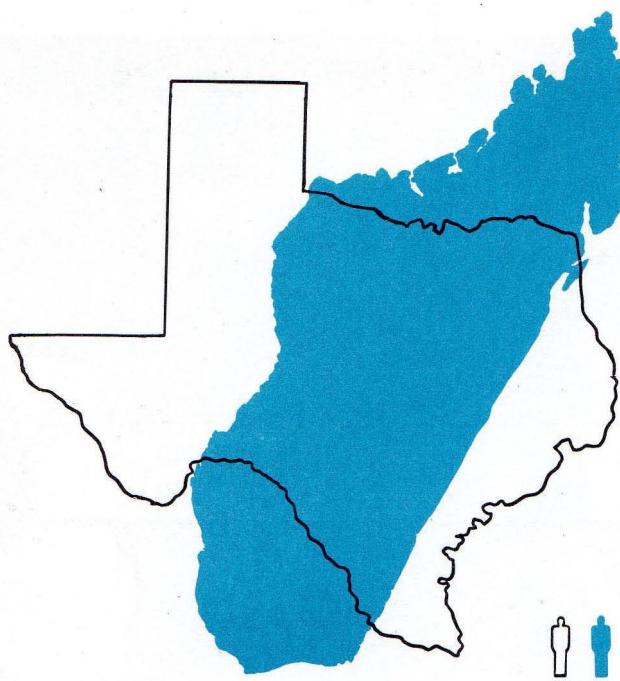
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INTRODUCING

MADAGASCAR 1959

The island of Madagascar, which was an Overseas Territory of the French Republic up until October 14, 1958, now constitutes the Malagasy Republic. It is divided for administrative purposes into six provinces; its capital city is Tananarive.

Situated in the Indian Ocean, 250 miles across the Mozambique Channel from the southeast coast of Africa, Madagascar is the fourth largest island in the world. It is 995 miles long and 360 miles wide and is 228,000 square miles in area, or slightly smaller than Texas.



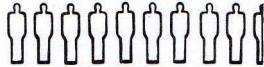
MADAGASCAR

compared with TEXAS
in SIZE and POPULATION

MADAGASCAR (228,000 sq. miles)



TEXAS (268,000 sq. miles)



each symbol = 1 million inhabitants

The population, which was stationary in 1946, is now growing at an annual rate of 2.5% and totals 5 million. The average density is 22 persons to the square mile and there are seldom more than 78 per square mile, except in certain regions of the high plateaus and at a few points along the west and northwest coast.

The principal topographical feature of Madagascar is an inland plateau of crystalline and volcanic rock extending from north to south with peaks ranging up to 9,450 feet (Mt. Tsaratanana). Owing to the moderate altitude of the eroded highlands—from 2,500 to 4,500 feet—most of the island has a temperate climate,

although lying in the tropical zone. On the western slopes, consisting of a series of terraces 60 to 120 miles wide, the climate is hot and dry. At the foot of the steep eastern slopes—exposed to trade winds and monsoons—is a low hot coastal strip less than 30 miles wide and dotted with lagoons called the Pangalanes. The northwestern part of the island is similar to the eastern coastal region, except for the fact that it has a dry season, while the south has a semi-arid climate. There are a number of lakes, the largest of which is Lake Alaotra, 100 square miles in area, and many streams, the most important of which are the Betsiboka and the Mangoky.

FRENCH PUBLIC AID

1948, 1949, 1950, 1951, 1952, 1953, ...

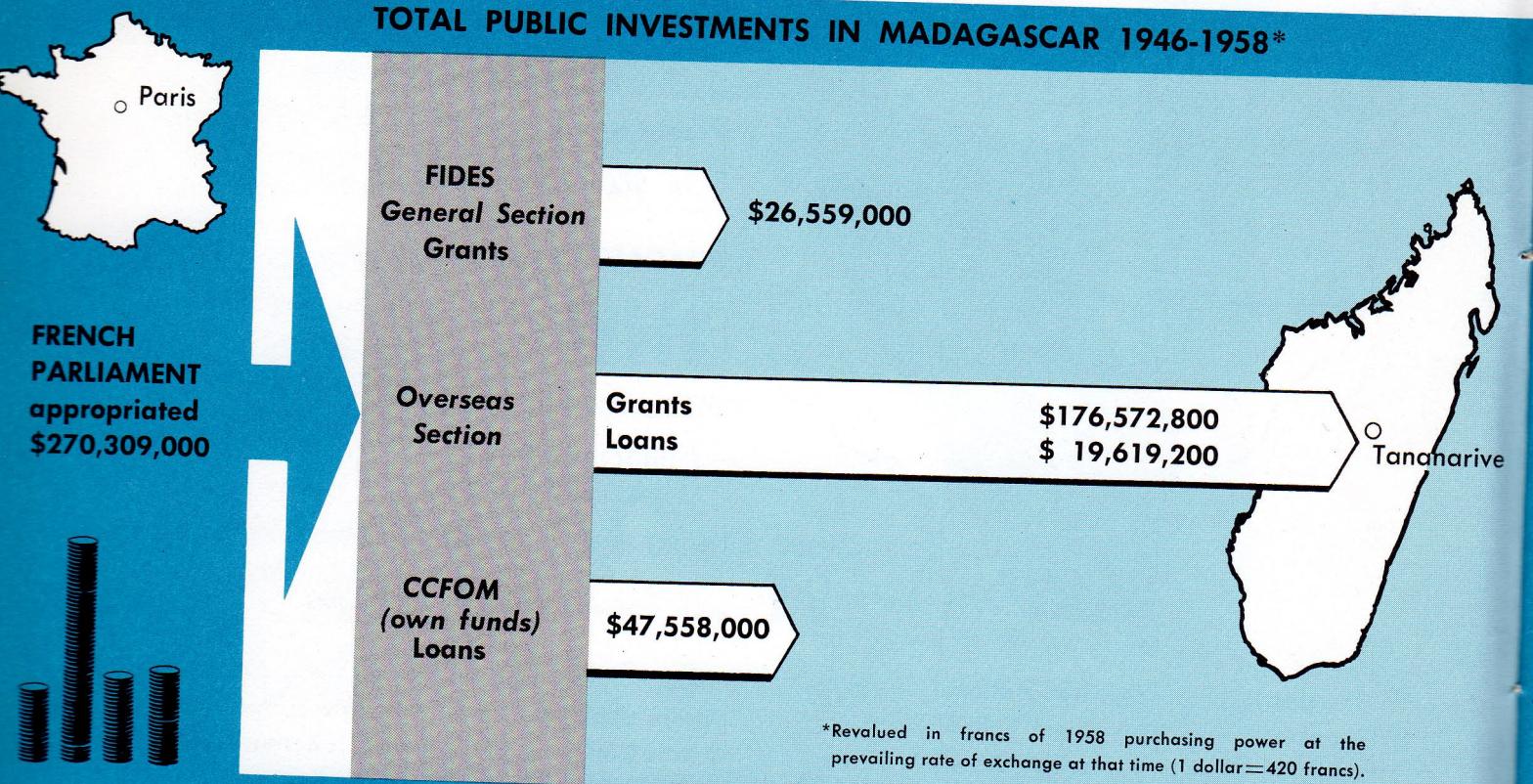


Only through long-range planning, supported by public funds from Metropolitan France, would it be possible to overcome all the geographical, climatic and human obstacles to modernization, such as regionalism, ancestral customs, irregular rainfall, cyclones, crusting of the soil, epidemic and endemic diseases.

In 1946, France conceived the first ten-year

plan for her Overseas Territories, which was implemented by the Investment Fund for Economic and Social Development (FIDES), administered by the Central Overseas Bank (CCFOM). Between 1946 and 1958, Madagascar received over \$270 million, or 12% of the total public funds appropriated by the French Parliament for development of her Overseas Territories.

TOTAL PUBLIC INVESTMENTS IN MADAGASCAR 1946-1958*



Like the other Overseas Territories, Madagascar benefited from two types of operations under FIDES:

- **The local overseas section** which financed—through grants (90% of all credits) or loans (at 1.5%, repayable in 25 years)—basic local public works: roads, railroads, ports, airports, power plants, schools, hospitals, housing, etc.;
- **The general section** which financed, on a straight grant basis, projects affecting more than one province: scientific research, public development corporations, studies for major public works.

Madagascar also benefited from low-cost loans through the Central Overseas Bank (CCFOM) which used funds of its own available for financing overseas enterprises.

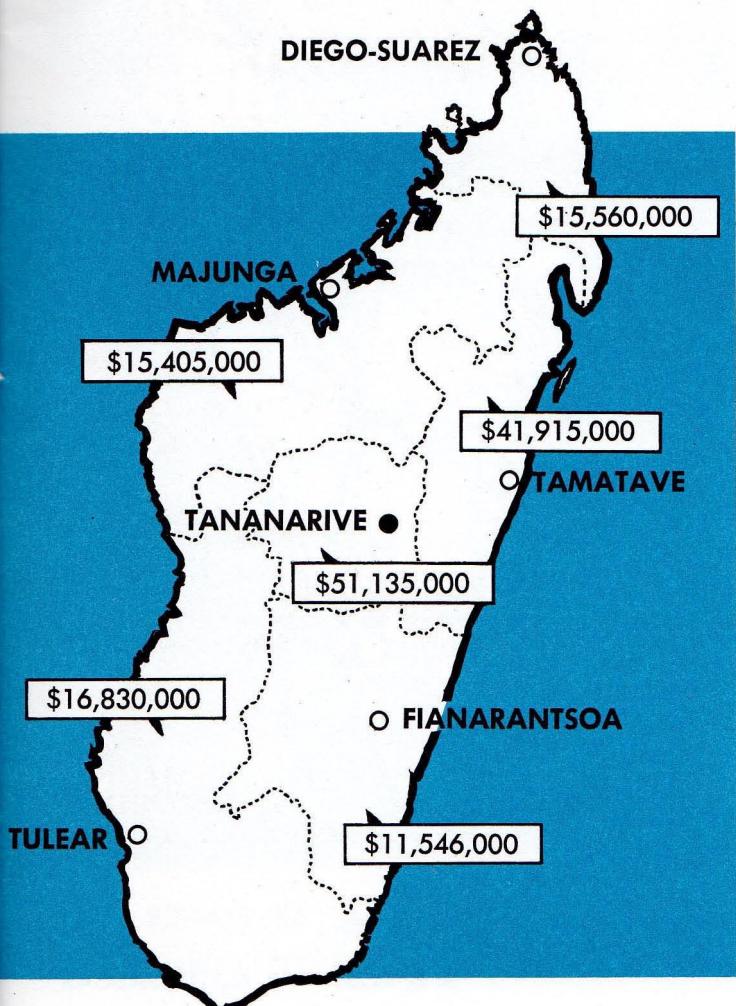
FIDES IN MADAGASCAR

..... 1954, 1955, 1956, 1957, 1958

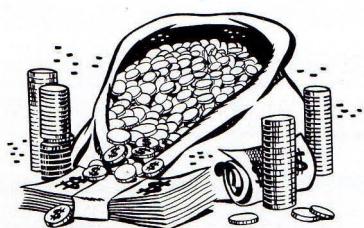


FIDES — Overseas Section

1948-1958



MAIN PUBLIC INVESTMENTS
IN THE SIX PROVINCES OF
MADAGASCAR: \$152,391,000



In the first series of projects in Madagascar (1947-1953), the emphasis was laid on the construction and improvement of the transportation and communications networks which accounted for almost 70% of the funds invested. The second group of projects (1954-58) concentrated on the development of the rural economy — 40.0% as against 13.5% of total credits — and on the country's educational and public health facilities and the construction of new housing (16.3%).

As in the other Overseas Territories, the local people were called upon to help in drawing up the first ten-year plan for economic and social development, financed out of the budget of Metropolitan France through FIDES. The overseas peoples participated in three different ways at the various stages of planning:

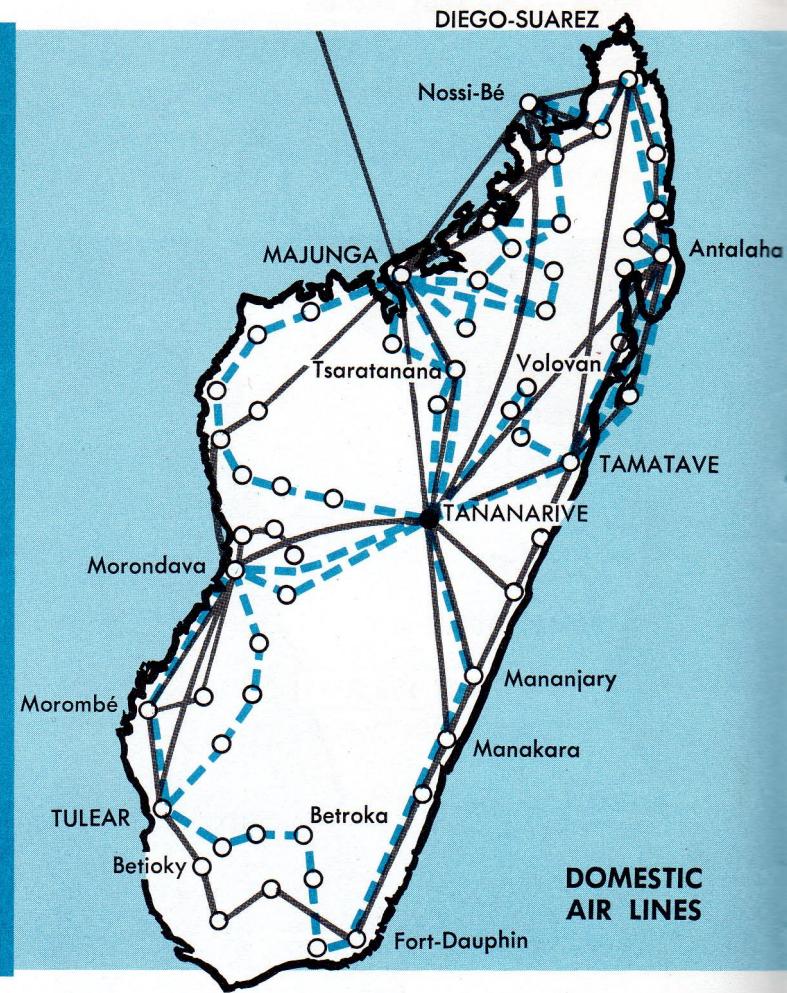
- through their local elected representatives; in the case of Madagascar, the provincial assemblies gave their opinions every year, and each four-year plan was approved by the Representative Assembly of the whole island;
- through their deputies and senators in the French Parliament who voted on the necessary appropriations;
- through the members of the Executive Committee of FIDES on which the overseas committees of Parliament were represented.

In line with the new relationship that has developed in 1959-60 between the French Republic and the Malagasy Republic, new agencies have been set up to carry on this task of developing the economic and human potentialities of Madagascar. These are the Fund for Assistance and Cooperation (FAC) and the Central Bank for Economic Cooperation (CCEE) which will implement new development plans in a manner appropriate to the living realities of the Community.

AIR LINES



In a territory as large and sparsely populated as Madagascar, air routes to the interior are no less important than those connecting the island with the outside world, as they contribute greatly to the modernization of the more remote areas. Madagascar now has 107 public airfields, including one international airport at Arivonimano, three other sizeable airports at Ivato, Tamatave and Tuléar, and about 60 regional airfields.



— AIR FRANCE

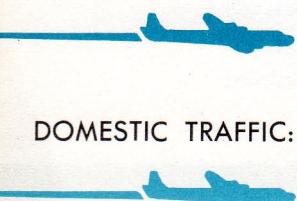
- - - - - INTERCONTINENTAL AIR TRANSPORT COMPANY

— AIR FRANCE

- - - - - AIR MADAGASCAR

TOTAL AIR TRAFFIC

OVERSEAS TRAFFIC:



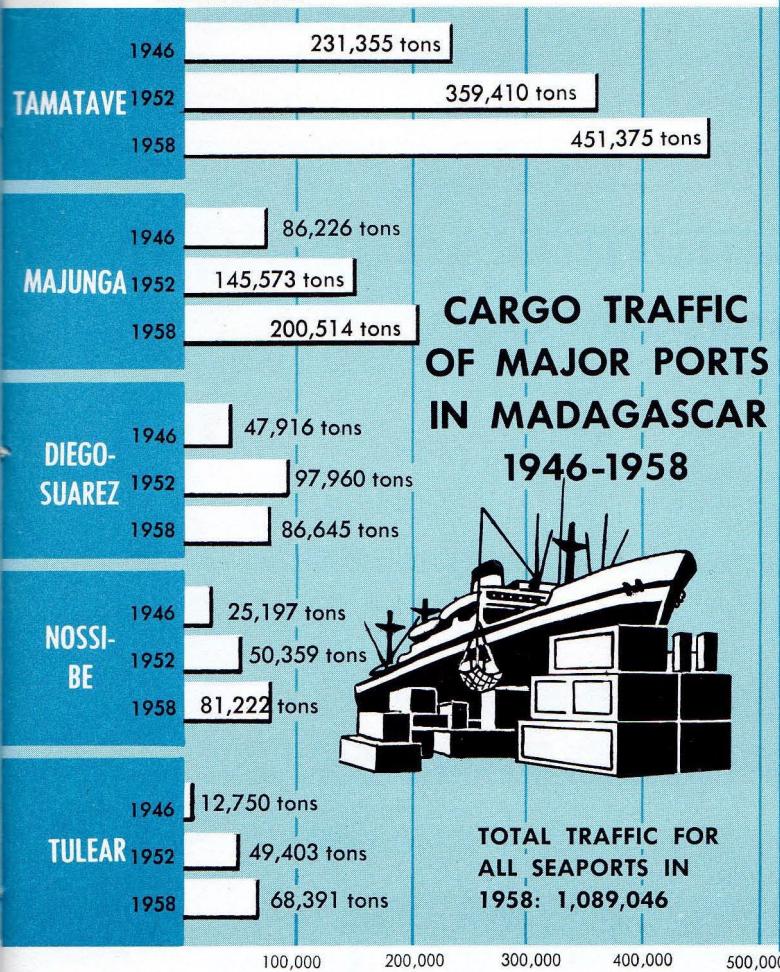
6

	1947	1955	1958
Freight loaded	37 tons	145 tons	216 tons
Freight unloaded	259 tons	224 tons	247 tons
Mail loaded	33 tons	39 tons	45 tons
Mail unloaded	102 tons	122 tons	122 tons
Passengers embarked	4,700	10,000	13,600
Passengers debarked		8,800	12,800
Freight	1,118 tons	5,713 tons	8,344 tons
Mail	104 tons	391 tons	390 tons
Passengers	29,000	70,000	104,000



SEAPORTS and WATERWAYS

Since the end of World War I, a special effort has been made to develop Tamatave, Madagascar's main port. This port is situated at the end of the Pangalanes Canal, which connects the lagoons bordering the eastern coast for a distance of almost 400 miles in such a way as to make a protected channel for coastal shipping. Seven other of the island's ports, including Majunga, Nossi-Bé, Diego-Suarez and Tuléar, have also been modernized.



SEAPORTS AND INLAND WATERWAYS

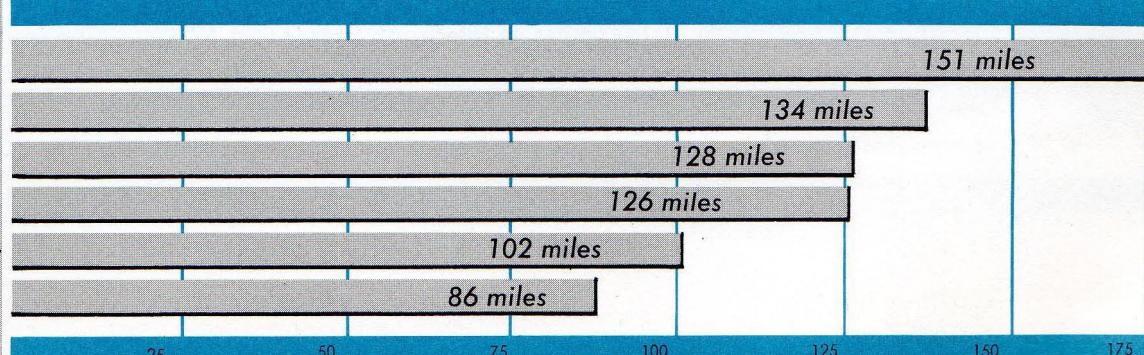


Madagascar also has 1,550 miles of navigable rivers, all flowing westward, with a total traffic of 300,000 tons a year handled in a dozen river ports, including:

- Antsohihy on the Loza
- Ambohantso and Marovoay on the Betsiboka
- Belo on the Tsiribihina
- Port-Bébé on the Morondava

NAVIGABLE SECTIONS OF MAIN RIVERS

Mangoky River
Onilahy River
Betsiboka River
Mahavavy River
Manambolo River
Tsiribihina River

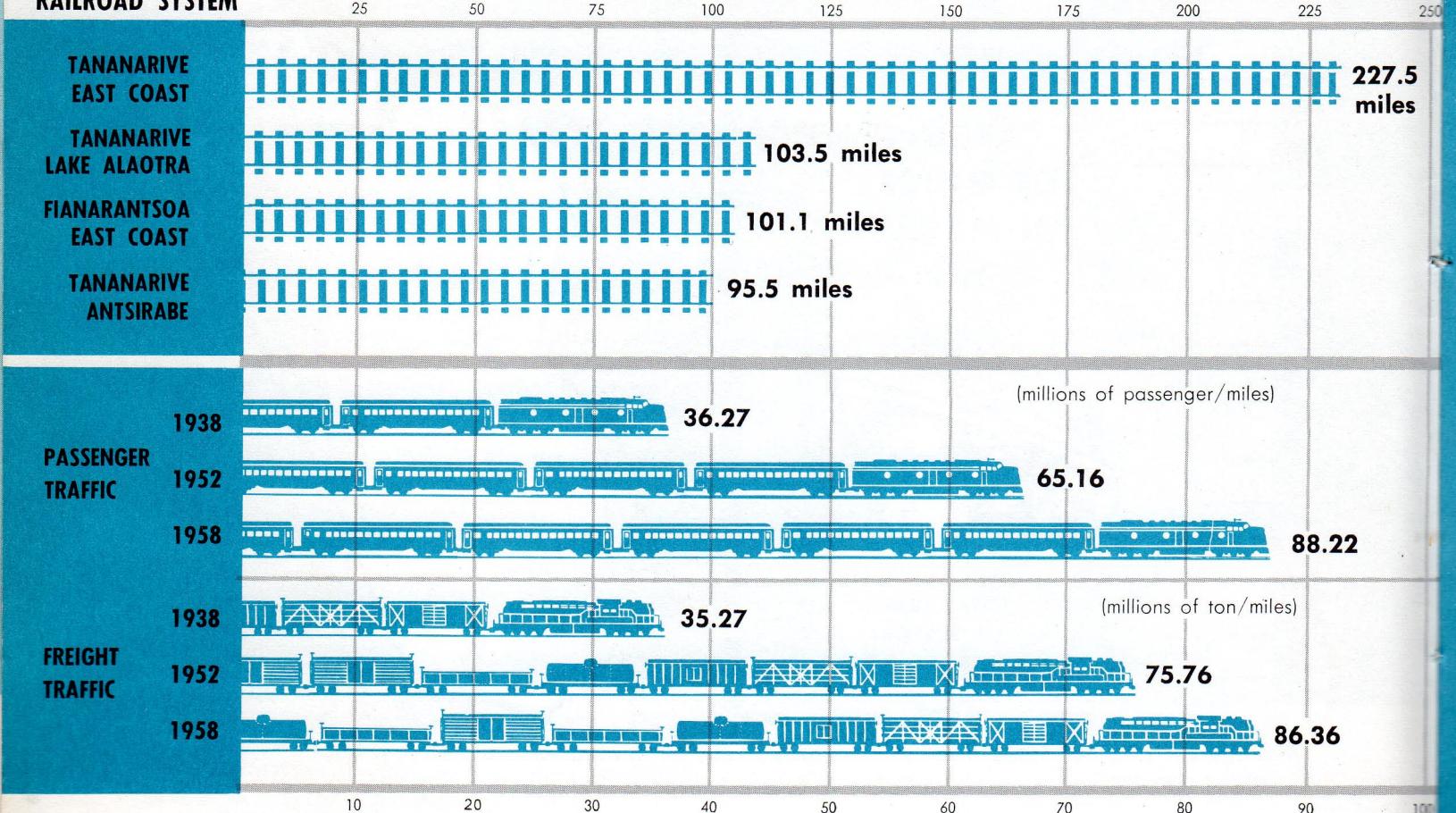


RAILROADS



There are about 530 miles of railways in Madagascar: the Tananarive-Tamatave trunk line with two branches to Moramanga and the Lake Alaotra region, the Fianarantsoa-Manakara trunk line and the Tananarive-Antsirabé line. Although no new track has been laid since 1946, the railroads' carrying capacity has been increased by using Diesel engines and modernizing the stationary equipment, including the construction of five large metal bridges, ranging from 400 to 1,270 feet long.

RAILROAD SYSTEM



TELECOMMUNICATIONS



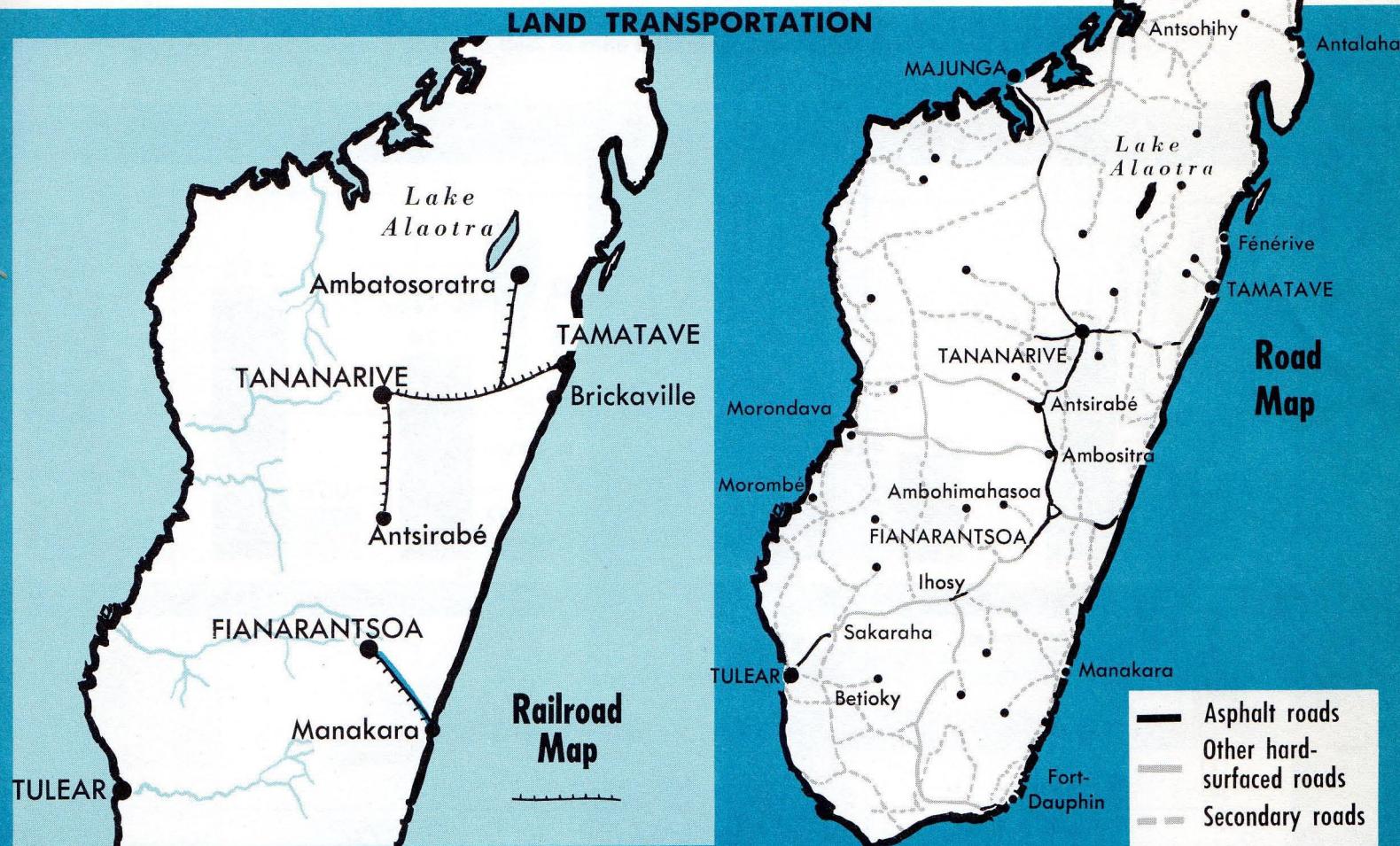
Madagascar has nearly 10,000 miles of telegraph lines. From 1946 to 1958 total mileage of its telephone lines increased from 9,672 to 21,654 miles. As of January 1, 1959, there were 12,500 telephones and 40 wireless stations for radio-telegraph communications. Seven radio stations—4 of which are short-wave stations—broadcast programs in Malagasy and French for about 50,000 receiving sets.



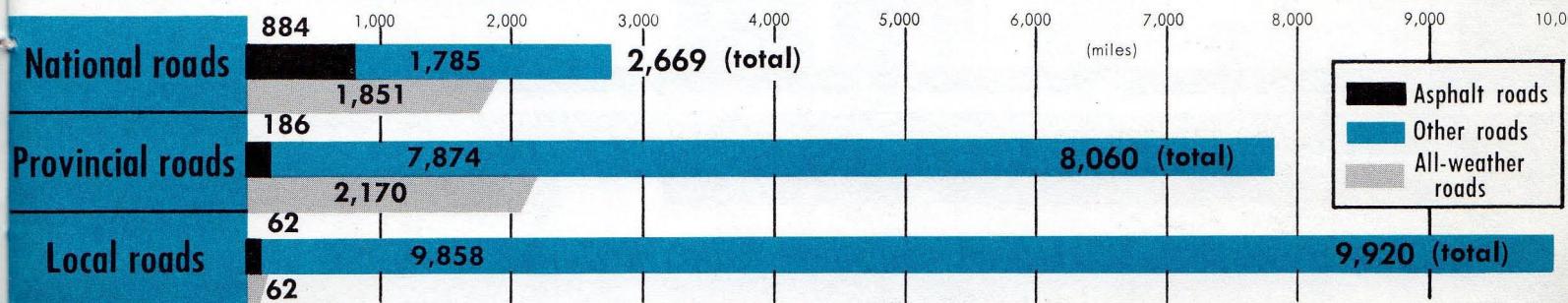
ROADS

Since 1947, road construction and repair work financed by FIDES has stimulated trade among the principal regions of the island as well as between the interior and the coast. Much work has been done on the following main routes: Tananarive-Majunga, Tamatave-Fénérive, Mandrare-Ft. Dauphin, Manakara-Farafangana and Vohémar-Antalahala. The desert roads in the south have also been improved. In addition, bridges have been built across the Mandrare and Manakara Rivers.

There are now more than 20,000 miles of roads—4,000 of which are passable in all weather—traveled by 31,648 cars, half of which are commercial vehicles.



ROAD SYSTEM IN 1958



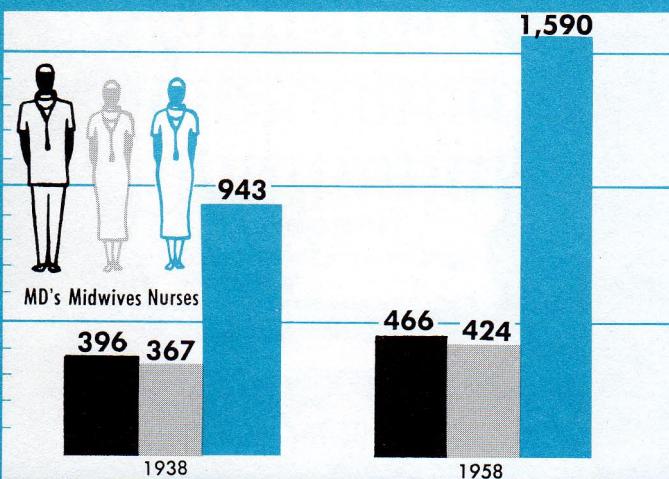
PUBLIC HEALTH



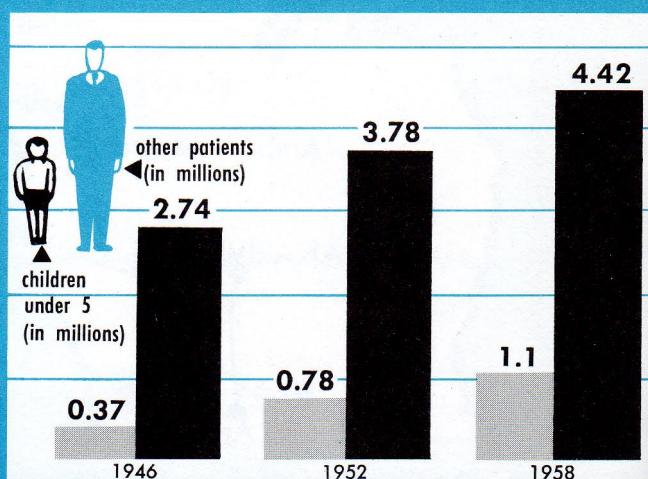
The rapid demographic growth in Madagascar since 1946 is largely the result of improved medical care and systematic campaigns of preventive medicine. In particular, a campaign against malaria—which formerly accounted for 30% of all deaths—was successfully launched in the late 1940's; the plague has been stamped out; leprosy and pulmonary infections will soon be eradicated. In an island that is sparsely populated in proportion to its natural resources, this increasing population is a positive factor in economic development.

In addition to the Pasteur Institute founded in 1900, the Health Services now comprise: 11 hospitals and 150 medical centers, 238 dispensaries and consultation rooms, 314 maternity centers and 121 other specialized units as well as 4,260 preschool health centers.

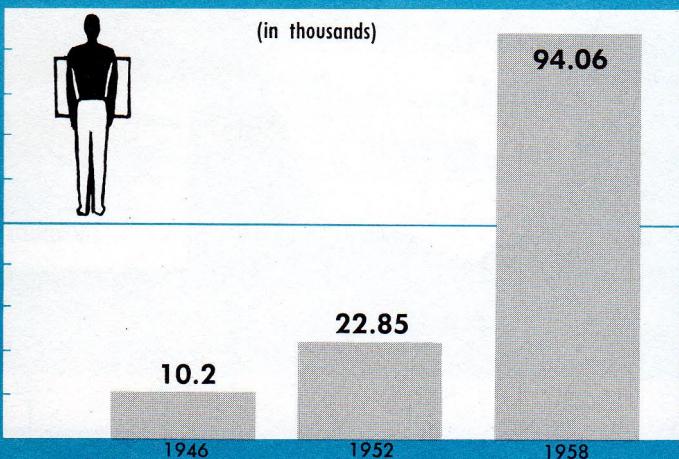
HEALTH PERSONNEL



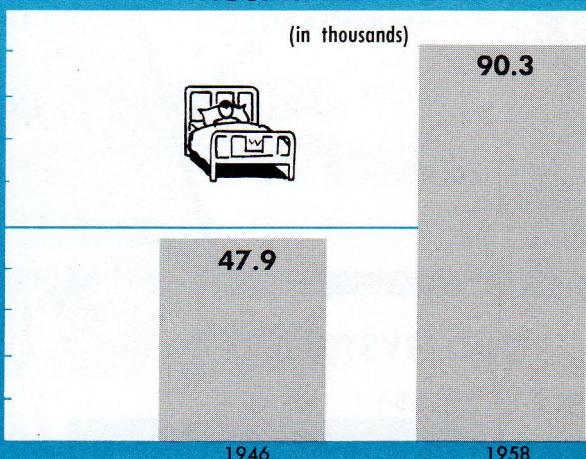
CONSULTATIONS



CHEST X-RAYS



HOSPITALIZATIONS



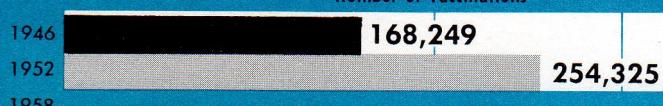
Number of cases



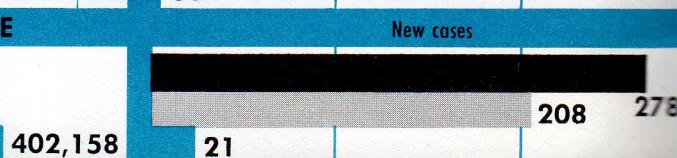
MALARIA



Number of vaccinations



PLAQUE



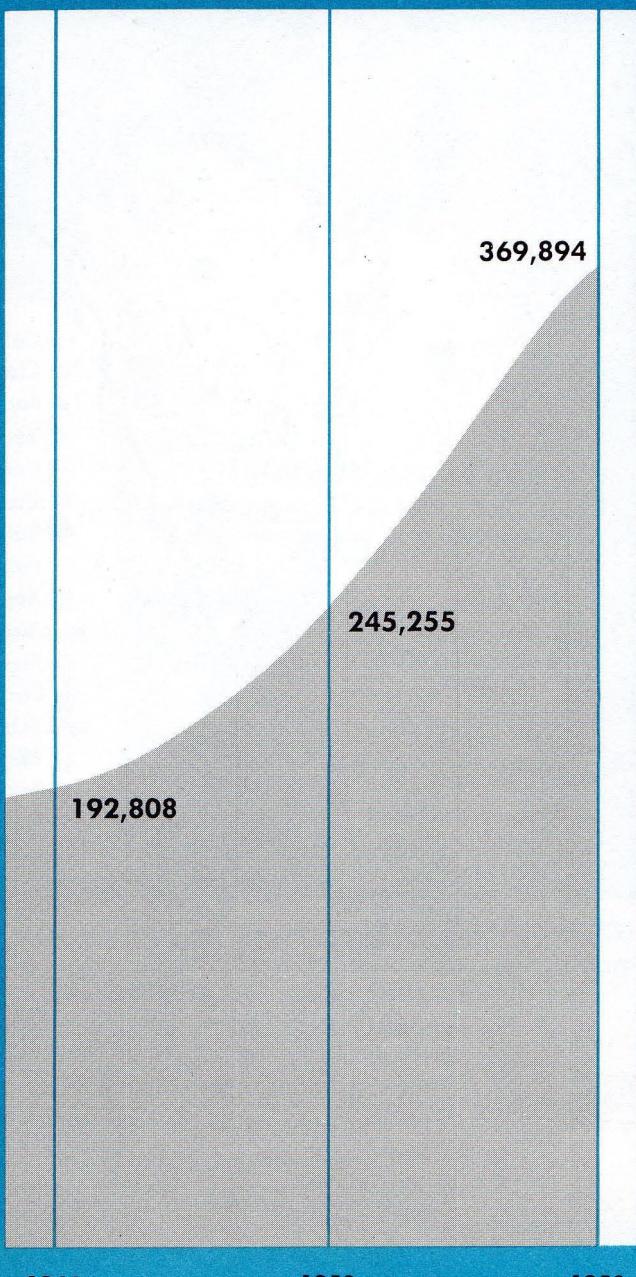


EDUCATION

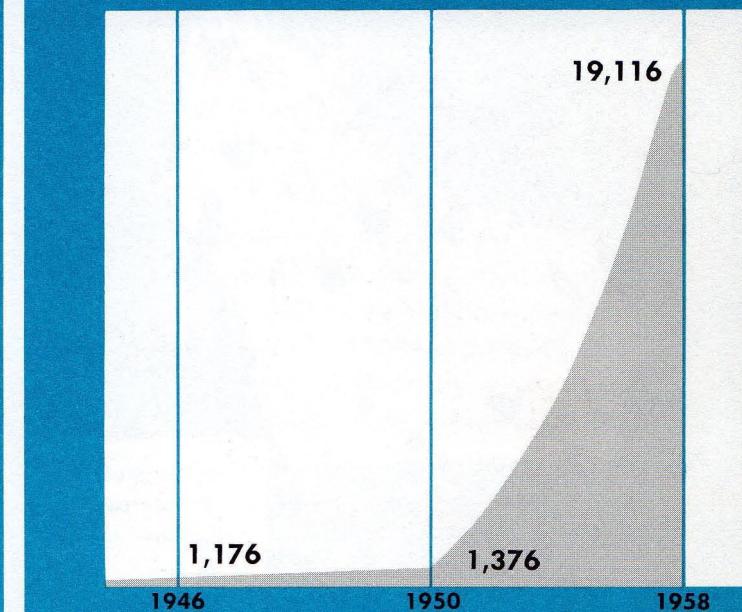
At the same time, FIDES launched a program for the development of public education. The construction of new schools enabled the enrollment rate to rise from 32% of school-age children in 1946 to over 46.5% on January 1, 1958. In 1958, over 620 full scholarships were granted to Malagasy students for advanced studies in France. Opportunities for secondary education and higher education were such that Madagascar now has educated people who are fully qualified to manage the country's affairs.

During the fourth meeting of the Executive Council of the Community in July 1959, it was decided to transform the Center of Advanced Studies at Tananarive (525 students) into a fully accredited university in October 1961. There is also a Madagascar Research Institute with divisions of pedology, microbiology, agrostology, botany, oceanography, entomology, hydrology, ethnography and geophysics.

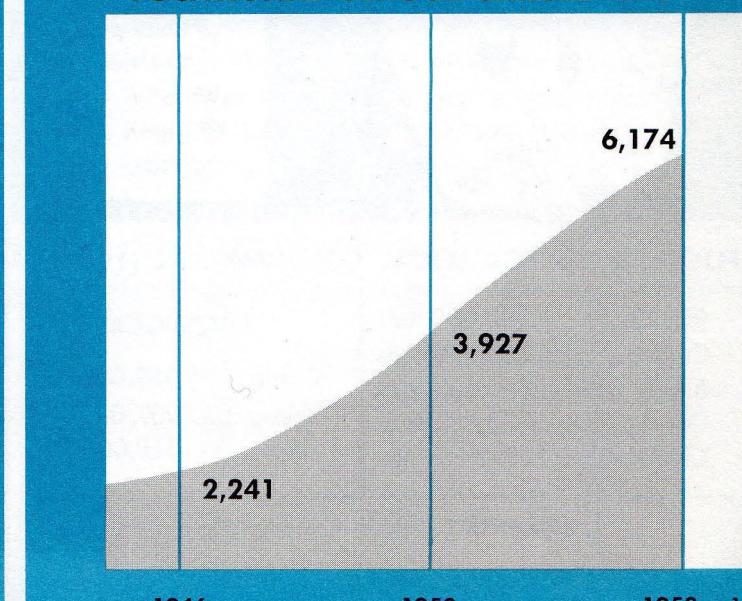
ELEMENTARY SCHOOL ENROLLMENT



HIGH SCHOOL ENROLLMENT



VOCATIONAL SCHOOL ENROLLMENT



AGRICULTURE

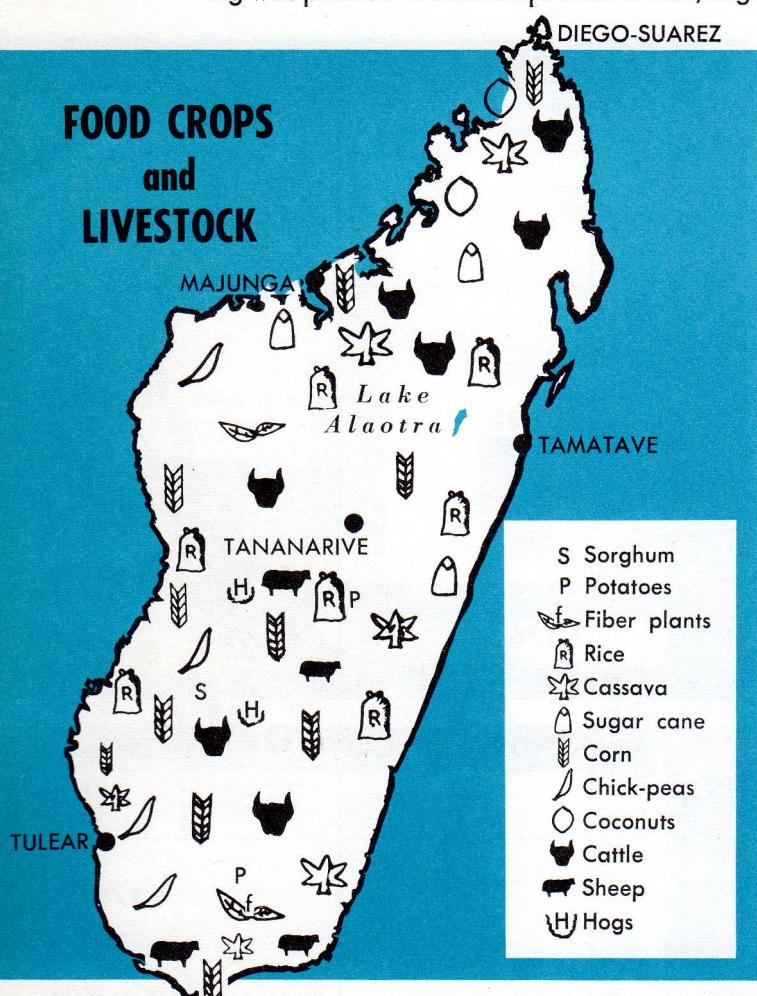


Part of the Funds for Rural Development were devoted to public projects such as irrigation and drainage, wells for watering livestock, reforestation, soil conservation and pisciculture. The remainder went for technical assistance and direct aid to the farmers: improved seed, storage and marketing services, selective breeding of livestock.

Between 1946 and 1958, much of Malagasy farm land formerly devoted to subsistence farming was planted in cash crops such as rice, sugar

cane, coffee, peanuts and cassava. Irrigation and drainage increased the amount of arable land in the Alaotra, West Morovady and Tana-narive plains and stimulated sugar growing and refining in the Mahavavy delta. In 1958 there were 181,792 acres under irrigation as compared with 54,340 acres in 1948, as a result of the construction of 101 new dams (18 storage and 83 diversion dams). Madagascar now has 4.5 million acres under cultivation and over 30.8 million acres of forests.

FOOD CROPS and LIVESTOCK



FOOD CROPS FOR LOCAL CONSUMPTION (1958)

Rice	1,190,000 tons
Cassava	780,000 tons
Sugar cane	740,000 tons
Corn	73,000 tons
Chick-peas	14,000 tons

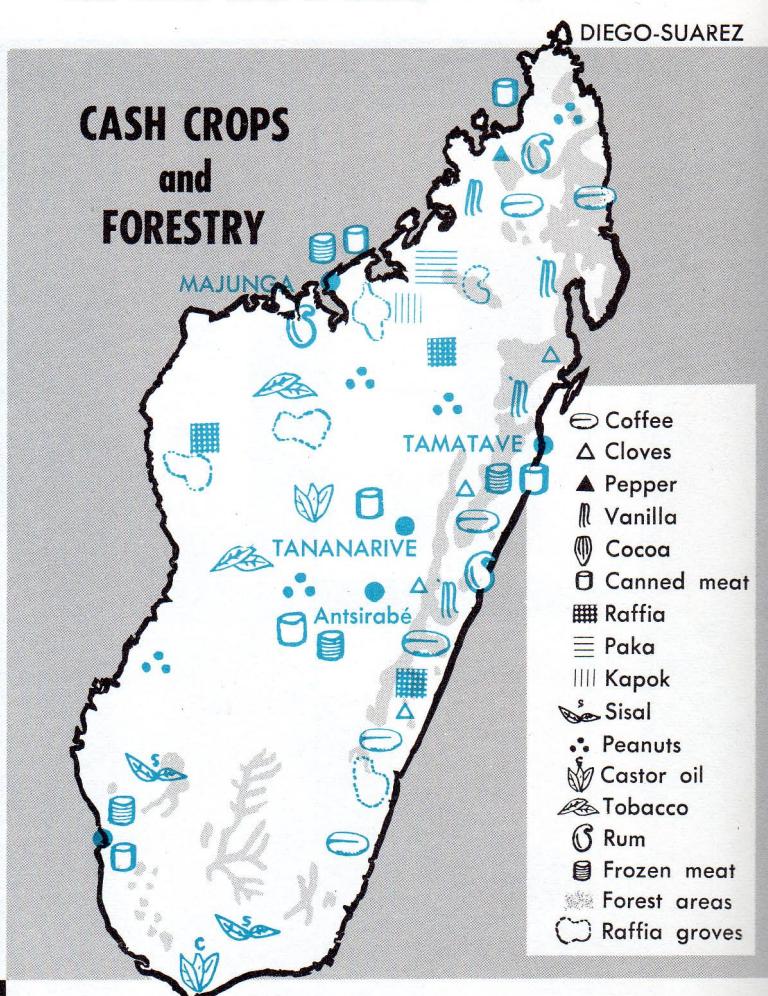
LIVESTOCK

Cattle	6,352,000
Sheep	207,000
Hogs	310,000

FORESTRY (30.8 million acres)

Lumber	1,210,000 tons
Raffia	5,700 tons

CASH CROPS and FORESTRY



PRODUCTION FOR EXPORT (1958)

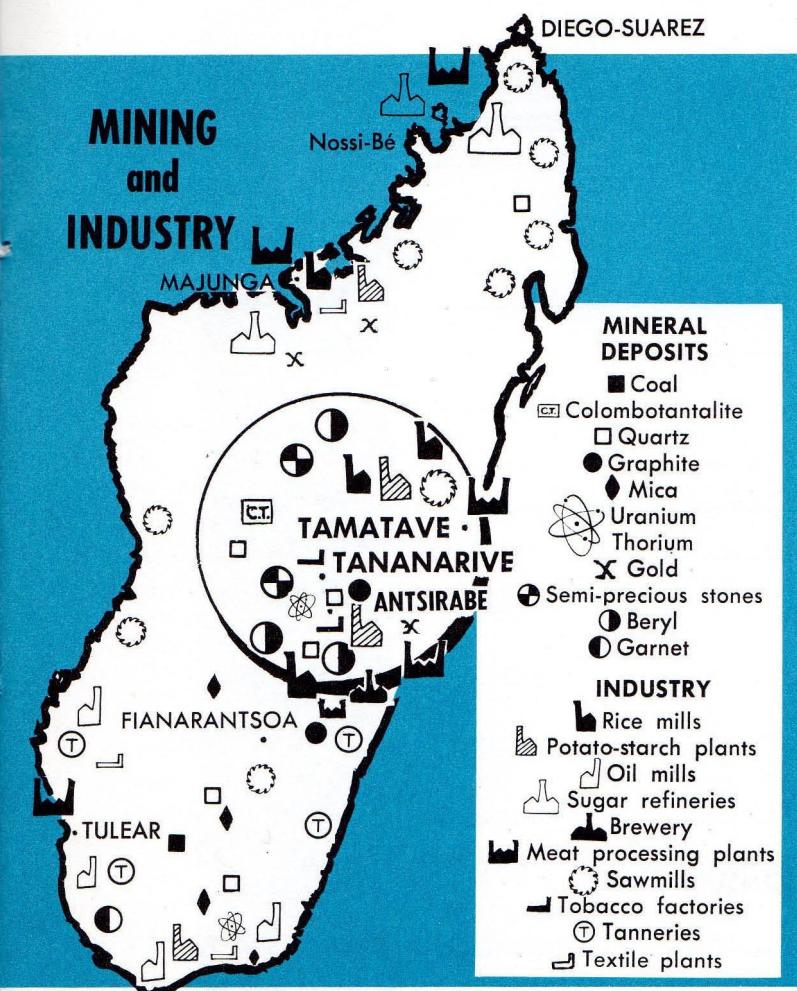
Milled rice	58,228 tons
Unroasted coffee	47,821 tons
Refined sugar	39,133 tons
Peanuts	11,696 tons
Cloves	6,092 tons
Tobacco	4,321 tons
Aleurites oil	736 tons
Pepper	584 tons
Vanilla	438 tons
Wood	361 tons

INDUSTRY

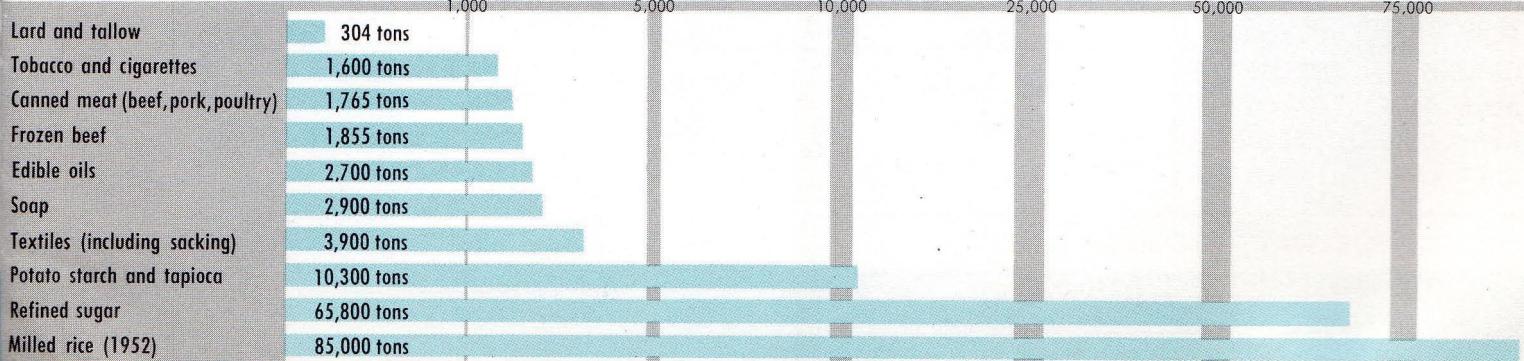


MINING

Madagascar is one of the world's largest producers of graphite (12,000 tons in 1958). It also produces mica (1,000 tons, 54% of which is exported to the United States), piezo-electric quartz, industrial beryl and garnets, and semi-precious stones. The nickel deposits at Valorozo amount to 70,000 tons of ore, and the chromite deposits at Ranomena are estimated at 400,000 tons. Thanks to credits from the general section of FIDES, numerous deposits are being prospected in various parts of the island.



INDUSTRIAL PRODUCTION IN 1958 (MAIN PRODUCTS)



ENERGY

As for sources of energy, exploitation of the Sakoa coalfields was started a few years ago.

Oil exploration was carried out in cooperation with the Bureau of Petroleum Exploration.

Uranium and thorium deposits have been discovered in the southern part of the island. Their exploitation in cooperation with the French Atomic Energy Commission is being planned.

The hydroelectric potentialities of the Fatita, Ikopa and Betsiboka falls were studied, and dams were built on the Mandraka and Tsiazompaniry Rivers which have appreciably increased the production of electricity, now provided by 22 steam plants and 8 hydroelectric plants.

CONVERSION INDUSTRIES

A great effort has been made to equip Madagascar with cold storage facilities, especially for the meat industry. Other conversion industries are the following: some 60 rice mills; about 10 canneries; 8 potato-starch plants; sugar refineries; rum distilleries; oil mills; 1 brewery; 2 tobacco factories; mills for spinning and weaving jute, cotton and sisal; soap factories; sawmills; 1 cement works; machine shops, etc.

ECONOMIC INDICATORS FOR MADAGASCAR



1958

NATIONAL INCOME

value
\$500,000,000

BUDGET

Current Expenditures

National Budget	67,440,000
Provincial Budgets	60,255,000

Capital Expenditures

National Budget	11,269,000
Provincial Budgets	5,608,000

Income Tax

National Budget	50,407,000
Provincial Budgets	30,952,000

FOREIGN TRADE

Exports	96,418,000
Imports	126,494,000
Trade Balance	— 30,076,000
Franc Zone — 23,565,000	
Dollar Zone + 9,690,000	
Sterling Zone — 1,883,000	
Others — 14,318,000	

PRODUCTS PRIMARILY FOR DOMESTIC CONSUMPTION

Rice (paddy)	59,524,000
Cassava	23,429,000
Sugar cane	7,714,000
Corn	3,333,000

ECONOMIC INDICATORS FOR MADAGASCAR



1958

value

PRODUCTS PRIMARILY FOR EXPORT

Unroasted coffee	\$38,014,000
Polished rice	9,514,000
Vanilla beans	7,019,000
Sugar	5,143,000
Tobacco	4,867,000
Cloves	4,095,000
Peanuts	2,362,000
Canned meat	1,743,000
Pepper	762,000

LIVESTOCK

Cattle	13,714,000
Hogs	3,029,000

MINING PRODUCTS

Graphite	1,176,000
Mica	924,000
Quartz	243,000
Beryl	38,000

INDUSTRIAL PRODUCTS

Hulled rice	11,905,000
Sugar	7,857,000
Tobacco and cigarettes	3,667,000
Textiles (including sacking)	2,605,000
Edible oils	1,629,000
Frozen and canned meat and poultry	1,167,000

PRODUCTION OF ELECTRICITY

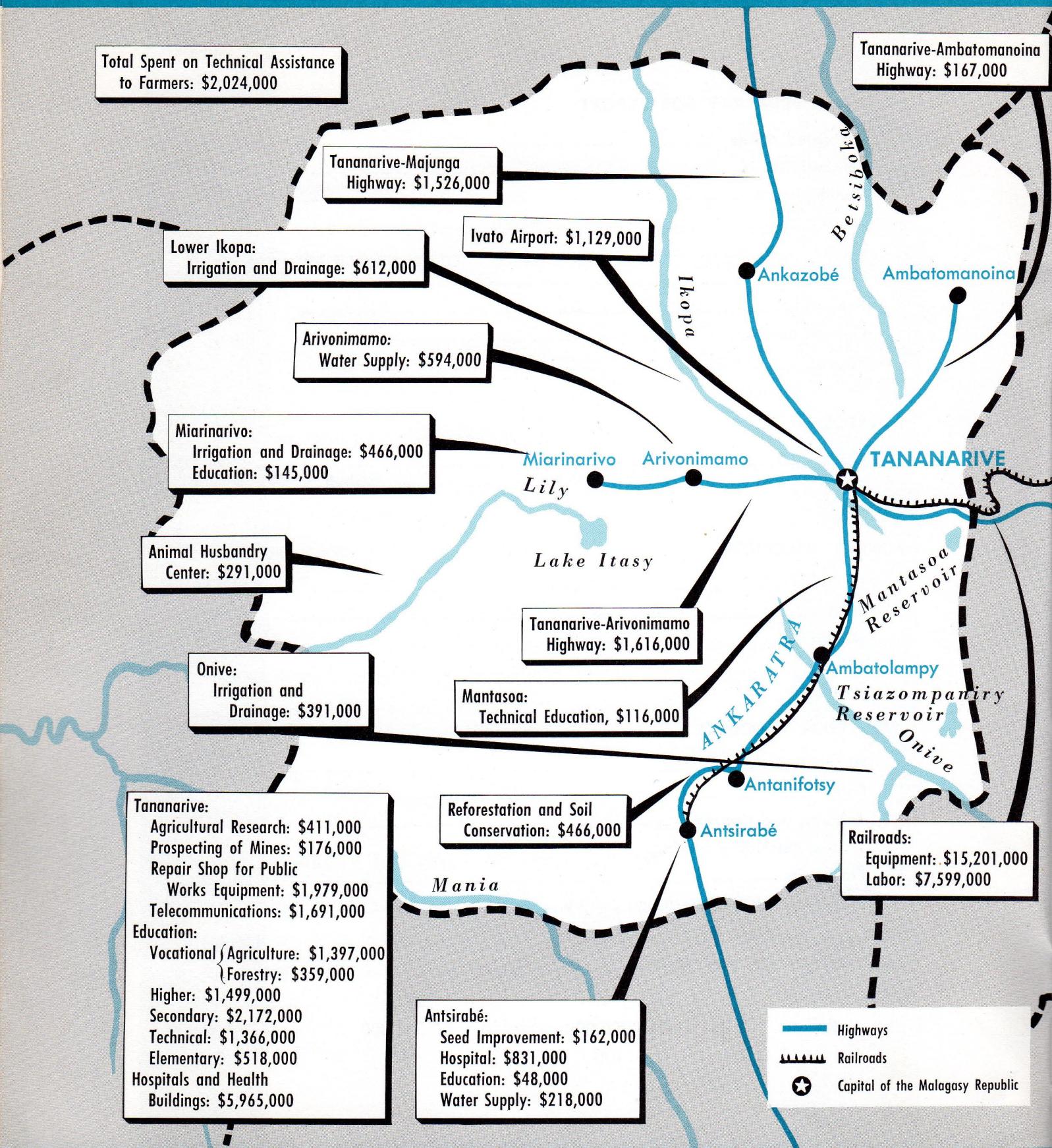
	1948	1954	1958
— in kwh.	25,800,000	50,500,000	70,100,000
— index (1948 = 100)	100	195	271

PROVINCE OF TANANARIVE



Major FIDES Projects
1948-1958: \$51,135,000

Total Spent on Technical Assistance
to Farmers: \$2,024,000



PROVINCE OF TANANARIVE | ECONOMIC INDICATORS FOR

1958

BUDGET

	value
Current Expenditures	\$18,324,000
Capital Expenditures	452,000
Income Tax	6,157,000

AGRICULTURE (major crops)

Rice (paddy)	265,000 tons	13,238,000
Cassava	138,000 tons	4,143,000
Potatoes	71,656 tons	3,381,000
Beans	7,535 tons	1,524,000
Corn	20,400 tons	905,000

Livestock

Cattle	755,000 head
Hogs	119,000 head
Sheep	59,000 head

INDUSTRY (major products)

Cotton textiles	1,200 tons	1,429,000
Edible oils	750 tons	452,000
Beer	264,800 gallons	181,000

PROVINCE OF TAMATAVE



Major FIDES Projects
1948-1958: \$41,915,000

Total Spent on:
Elementary Education: \$186,000
Technical Assistance to Farmers: \$2,022,000

Sainte Marie:
Airport: \$158,000
Hospital: \$120,000
Education: \$33,000

Alaotra:
Agricultural Research Station: \$899,000
Irrigation and Drainage: \$6,529,000
Soil Conservation and Reforestation: \$668,000
Highways: \$2,116,000
Hospital, Education, Water Supply, Electrification: \$307,000

Tamatave-Fénérite
Highway: \$3,559,000

Tamatave:
Telephone Exchange: \$550,000
Airport: \$1,235,000
Hospital: \$501,000
Secondary Education: \$1,151,000
Technical Education: \$366,000
Equipment of Agricultural Services: \$211,000

Port:
Equipment: \$2,014,000
Labor: \$7,487,000
Fuel Storage Tanks: \$2,440,000

Telecommunications:
Tananarive-Tamatave: \$820,000

Experimental Coffegrowing: \$265,000

Pangalanes Canal
(canal for coastal shipping):
\$7,065,000

Reforestation and Soil Conservation: \$1,213,000

Highways
Railroads
Pangalanes Canal

PROVINCE OF TAMATAVE | ECONOMIC INDICATORS FOR

1958

BUDGET

	value
Current Expenditures	\$ 9,862,000
Capital Expenditures	1,171,000
Income Tax	3,186,000

AGRICULTURE (major crops)

Rice (paddy)	217,000 tons	10,857,000
Coffee	16,800 tons	9,762,000
Cassava	126,000 tons	3,762,000
Cloves	5,115 tons	3,048,000
Bananas	74,000 tons	2,429,000
Sugar cane	73,000 tons	762,000

Livestock

Cattle	369,000 head
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MINING

Graphite	12,000 tons	786,000
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INDUSTRY (major products)

Sugar	5,850 tons	1,238,000
Alcohol	599,772 gallons	286,000

PROVINCE OF FIANARANTSOA



Major FIDES Projects
1948-1958: \$11,546,000

Total Spent on:
Elementary Education: \$226,000
Technical Assistance to Farmers:
\$2,140,000

Ambositra:
Seed Improvement: \$105,000

Ambohimahasoa:
Irrigation and Drainage: \$278,000

Fianarantsoa:
Reforestation: \$883,000
Airport: \$202,000
Hospital: \$480,000
Education: \$1,085,000

Ambalava:
Irrigation and Drainage: \$211,000
Water Supply: \$272,000

Antsirabé-Fianarantsoa
Highway: \$703,000

Mananjary:
Airport: \$278,000

FIANARANTSOA

Telecommunications:
Tananarive-Fianarantsoa: \$976,000
Fianarantsoa-Mankara: \$189,000

Manakara-Farafangana
Highway: \$1,451,000

Manakara:
Reforestation: \$141,000
Port: \$437,000
Education: \$71,000

Ambila:
Irrigation and Drainage: \$1,397,000
Seed Improvement: \$21,000

- Highways
- - - Railroads
- Pangalanes Canal

PROVINCE OF FIANARANTSOA | ECONOMIC INDICATORS FOR 1958

BUDGET

	value
Current Expenditures	\$10,986,000
Capital Expenditures	1,971,000
Income Tax	3,629,000

AGRICULTURE (major crops)

Rice (paddy)	294,000 tons	14,714,000
Coffee	17,067 tons	9,905,000
Cassava	238,000 tons	7,143,000
Bananas	54,000 tons	1,786,000
Beans	7,209 tons	1,457,000
Peanuts	7,100 tons	823,000
Potatoes	9,511 tons	452,000
Corn	9,200 tons	429,000

Livestock

Cattle	948,000 head
Hogs	68,000 head

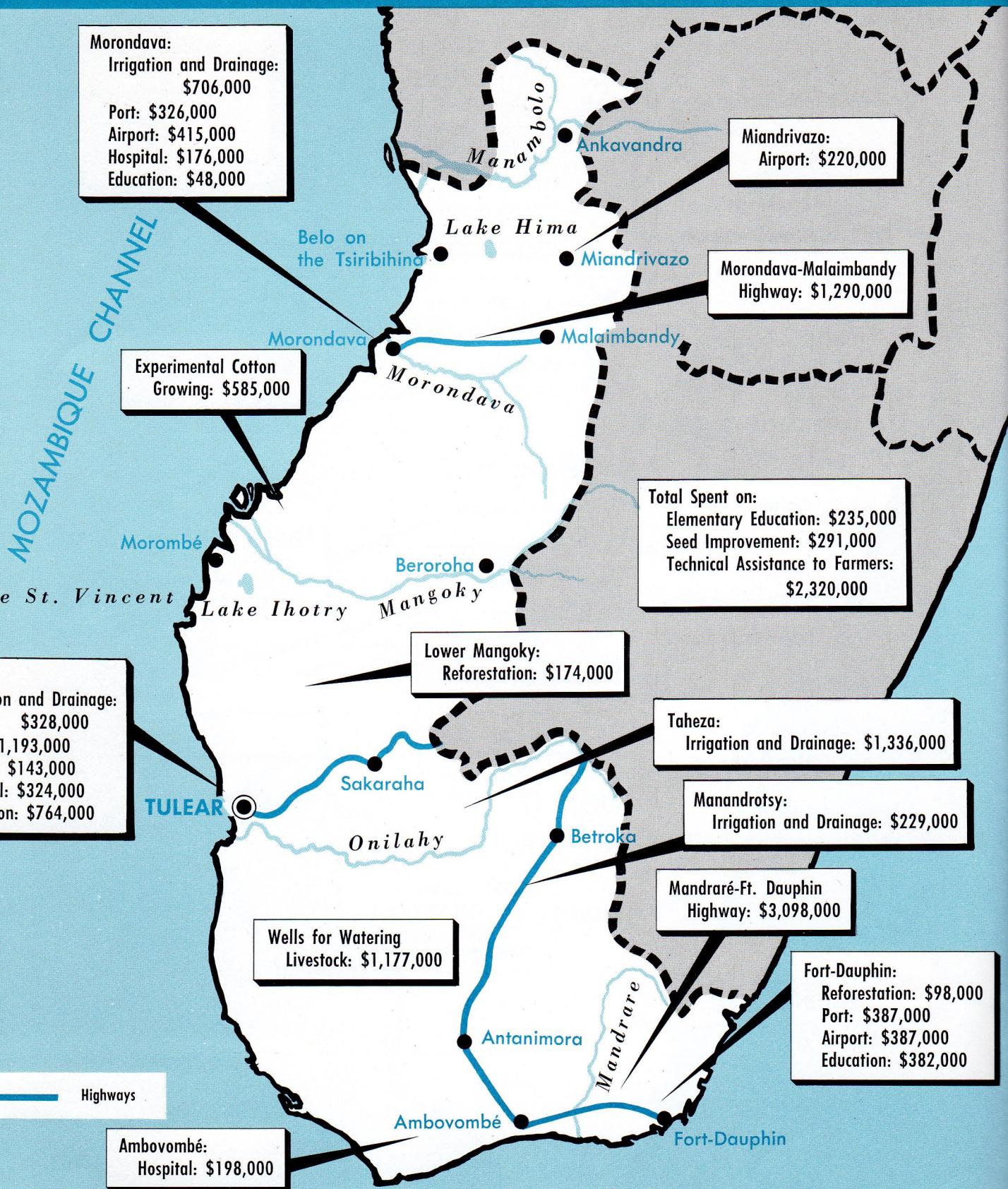
MINING

Mica	90 tons	48,000
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PROVINCE OF TULEAR



Major FIDES Projects
1948-1958: \$16,830,000



PROVINCE OF TULEAR

ECONOMIC INDICATORS FOR

1958

BUDGET

	value
Current Expenditures	\$ 8,019,000
Capital Expenditures	805,000
Income Tax	3,829,000

AGRICULTURE (major crops)

Rice (paddy)	103,000 tons	5,143,000
Cassava	166,000 tons	5,000,000
Peanuts	11,500 tons	1,333,000
Sisal	11,140 tons	1,333,000
Corn	28,800 tons	1,310,000
Tobacco	2,100 tons	905,000

Livestock

Cattle	2,100,000 head
Sheep	137,000 head

MINING

Mica	990 tons	643,000
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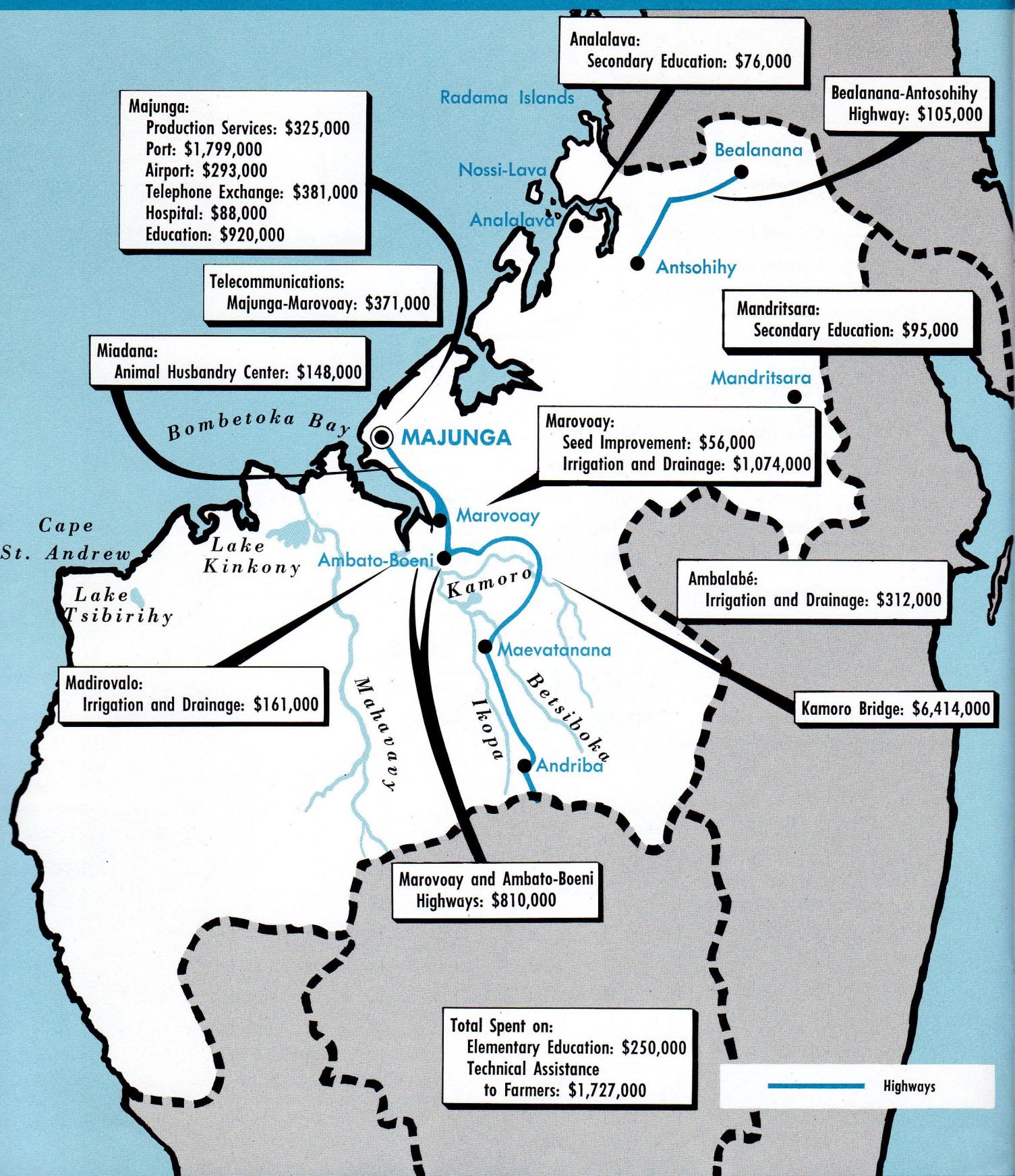
INDUSTRY (major product)

Edible oils	1,400 tons	833,000
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PROVINCE OF MAJUNGA



**Major FIDES Projects
1948-1958: \$15,405,000**



PROVINCE OF

MAJUNGA

ECONOMIC INDICATORS FOR

1958

BUDGET

	value
Current Expenditures	\$ 7,686,000
Capital Expenditures	686,000
Income Tax	2,862,000

AGRICULTURE (major crops)

Rice (paddy)	239,000 tons	11,952,000
Coffee	553 tons	3,214,000
Cassava	73,000 tons	2,190,000
Sugar cane	149,000 tons	1,548,000
Raffia	3,614 tons	1,095,000
Tobacco	2,450 tons	1,048,000

Livestock

Cattle	1,700,000 head
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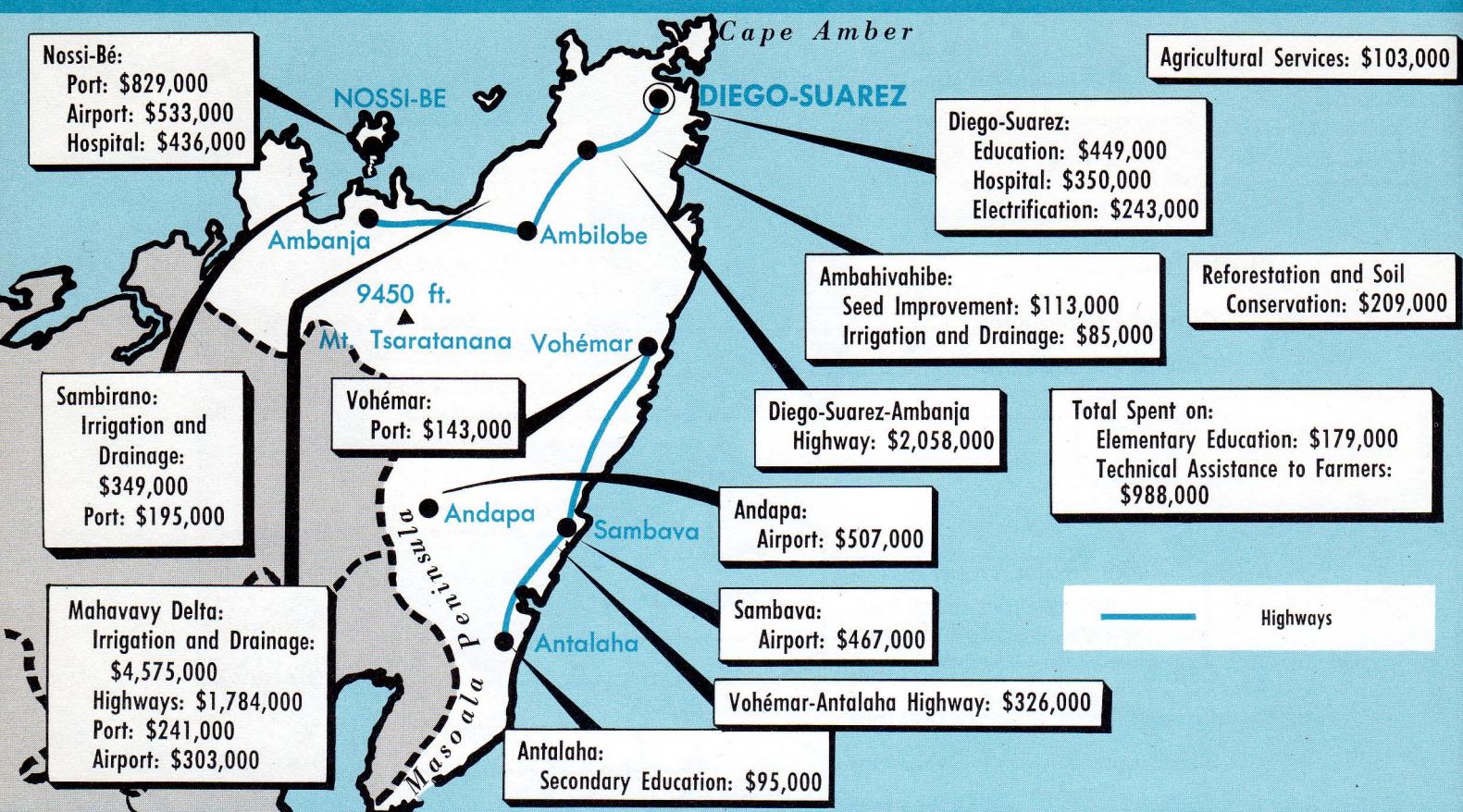
INDUSTRY (major products)

Sugar	10,168 tons	2,271,000
Jute sacking	2,700 tons	952,000
Cement	30,000 tons	714,000
Soap	1,500 tons	452,000

PROVINCE OF DIEGO-SUAREZ



Major FIDES Projects
1948-1958: \$15,560,000



DIEGO-SUAREZ | ECONOMIC INDICATORS FOR

1958

BUDGET

	value
Current Expenditures	\$ 5,990,000
Capital Expenditures	895,000
Income Tax	2,005,000

AGRICULTURE (major crops)

Coffee	13,022 tons	7,619,000
Sugar cane	486,000 tons	5,071,000
Rice (paddy)	72,000 tons	3,619,000
Bananas	49,000 tons	1,619,000
Cassava	39,000 tons	1,190,000
Pepper	839 tons	962,000
Vanilla beans	450 tons	905,000

INDUSTRY (major products)

Sugar	48,678 tons	4,857,000
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M. 26

Madagascar - Economic
Conditions

France - Economic
policy

AMBASSADE DE FRANCE - SERVICE DE PRESSE ET D'INFORMATION
972 FIFTH AVENUE, NEW YORK

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